Amendments to the Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:

1. (Currently Amended) A method for <u>producing watermarked digital image data</u> comprising:

providing digital image data that represents an image:

applying a digital watermark to the digital image data to produce watermarked digital image data; and

applying a transformation to the watermarked digital image data to produce transformed watermarked digital image data, the transformation being at least approximately an inverse of a print-scan distortion transformation-; and

printing an image on the basis of the transformed watermarked digital image data.

2. (Original) The method according to claim 1, further comprising:

applying the print-scan distortion transformation to the digital image data prior to the step of applying the digital watermark to the digital image data.

- 3. (Canceled)
- (Original) The method according to claim 3, further comprising:
 scanning the printed image to produce scanned image data.

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5. (Original) The method according to claim 4, further comprising:

analyzing the scanned image data to retrieve the watermark therein.

6. (Original) The method according to claim 1, further comprising:

loading the transformed watermarked digital image data into a postage meter.

7. (Original) The method according to claim 6, further comprising:

using the postage meter to print a postage meter indicia on a mail piece, the postage meter indicia including a printed image based on the transformed watermarked digital image data.

 (Original) The method according to claim 7, further comprising: scanning the printed image to produce scanned image data.

(Original) The method according to claim 8, further comprising: analyzing the scanned image data to retrieve the watermark therein.

10. (Canceled)

11. (Currently Amended) A method for producing watermarked digital image data comprising:

providing watermark data that represents a digital watermark;

applying a transformation to the watermark data to produce transformed watermark data, the transformation being at least approximately an inverse of a print-scan distortion transformation:

providing digital image data that represents an image; and

combining the transformed watermark data with the digital image data to produce watermarked digital image data.

(Original) The method according to claim 11, further comprising:
 printing an image on the basis of the watermarked digital image data.

(Original) The method according to claim 12, further comprising:
 scanning the printed image to produce scanned image data.

14. (Original) The method according to claim 13, further comprising: analyzing the scanned image data to retrieve the watermark therein.

15. (Original) The method according to claim 11, further comprising: loading the watermarked digital image data into a postage meter.

16. (Original) The method according to claim 15, further comprising:

using the postage meter to print a postage indicia on a mail piece, the postage meter indicia including a printed image based on the watermarked digital image data.

17. (Original) The method according to claim 16, further comprising: scanning the printed image to produce scanned image data. Appln. No.: 10/720,503 Amendment Dated: May 1, 2008

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18. (Original) The method according to claim 17, further comprising:

analyzing the scanned image data to retrieve the watermark therein.

- 19. (Original) A method comprising:
 - (a) providing digital image data that represents an image:
- (b) applying a digital watermark to the digital image data to produce watermarked digital image data;
- (c) applying a print-scan distortion transformation to the watermarked digital image data to produce transformed watermarked digital image data;
- (d) retrieving a characteristic of the watermark as represented by the transformed watermarked digital image data produced at step (c);
- (e) printing an image on the basis of the watermarked digital image data produced at step (b);
 - (f) scanning the printed image to produce scanned image data;
- (g) retrieving a characteristic of the watermark as represented by the scanned image data produced at step (f); and
- (h) comparing the characteristic retrieved at step (d) with the characteristic retrieved at step (a).